

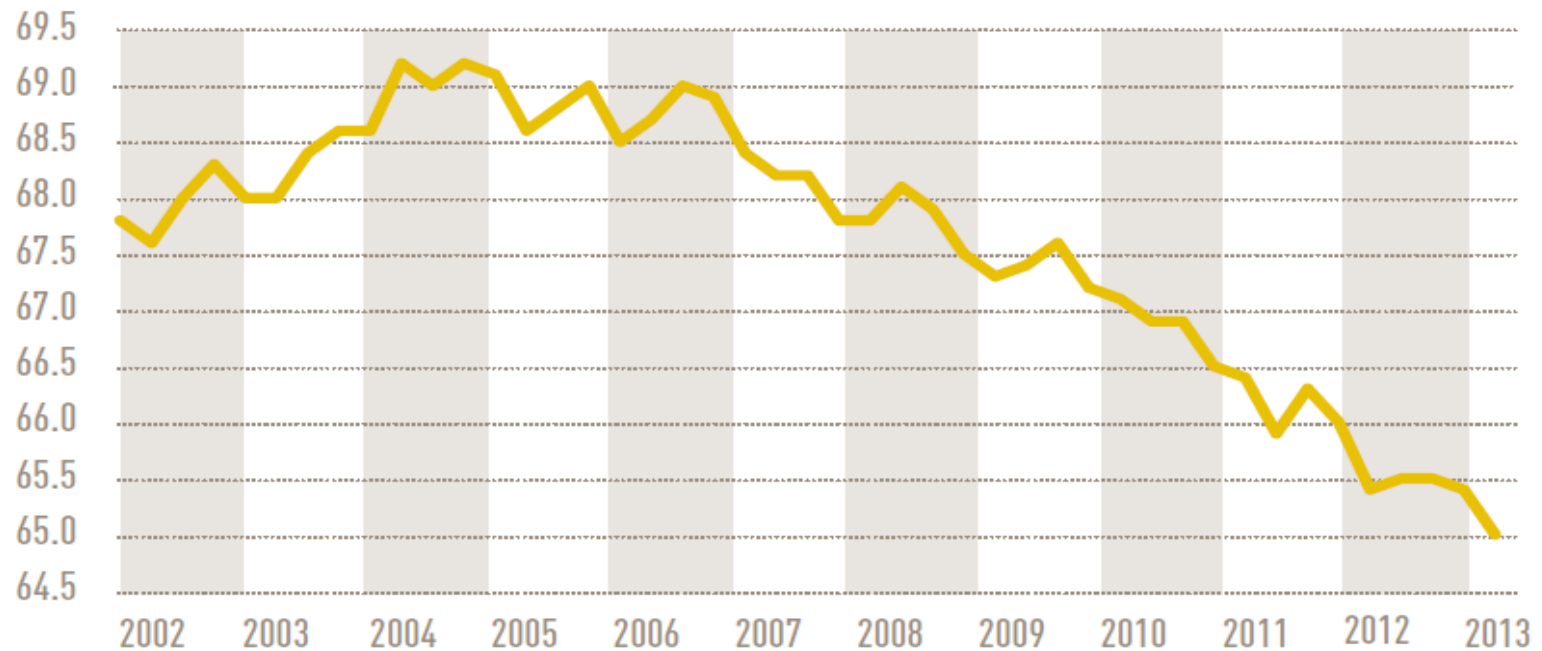
# The Trouble with Renters...

Why they matter and what we should  
do about them/ us.

# Homeownership is dropping

## The US Homeownership Rate Edged Down Again in 2012...

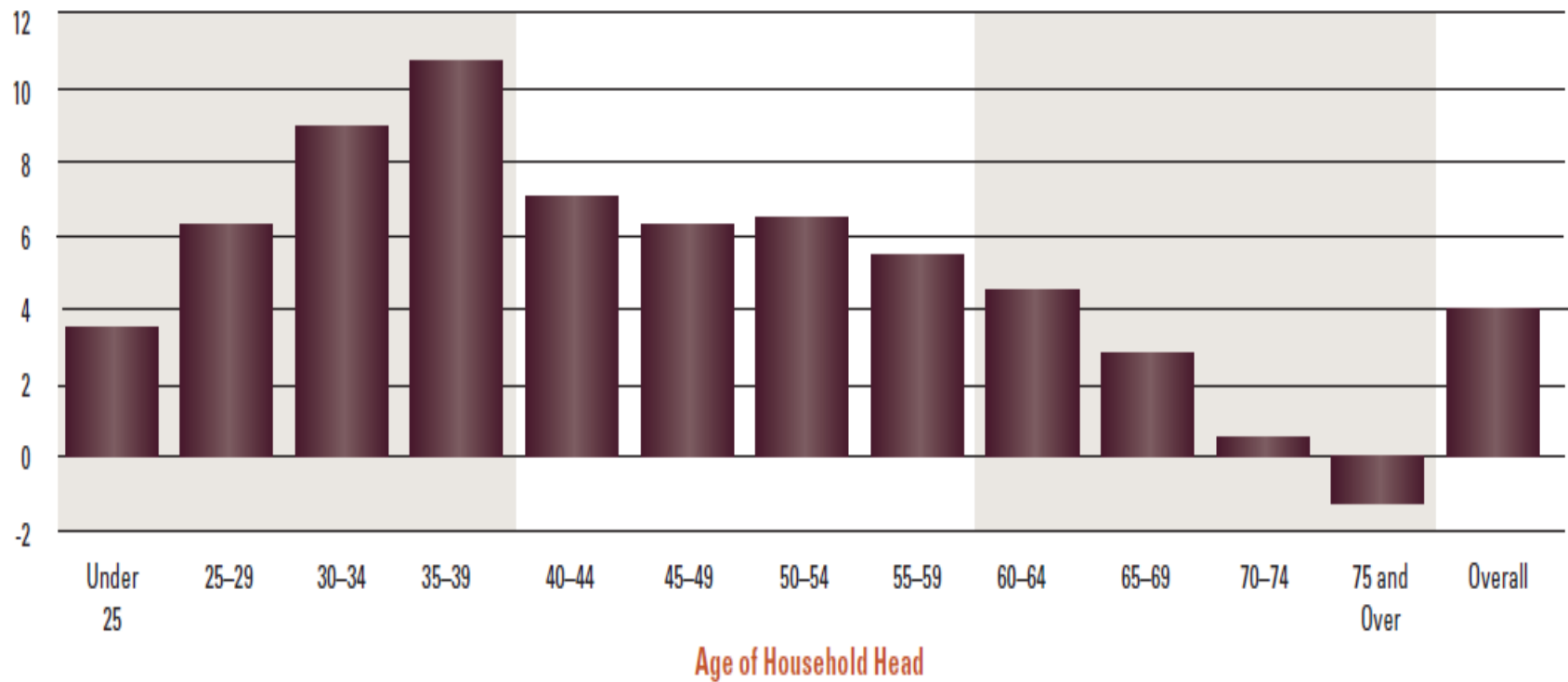
Homeownership Rate (Percent)



Source: US Census Bureau, Housing Vacancy Surveys.

## Renting Has Increased Sharply Across Most Age Groups...

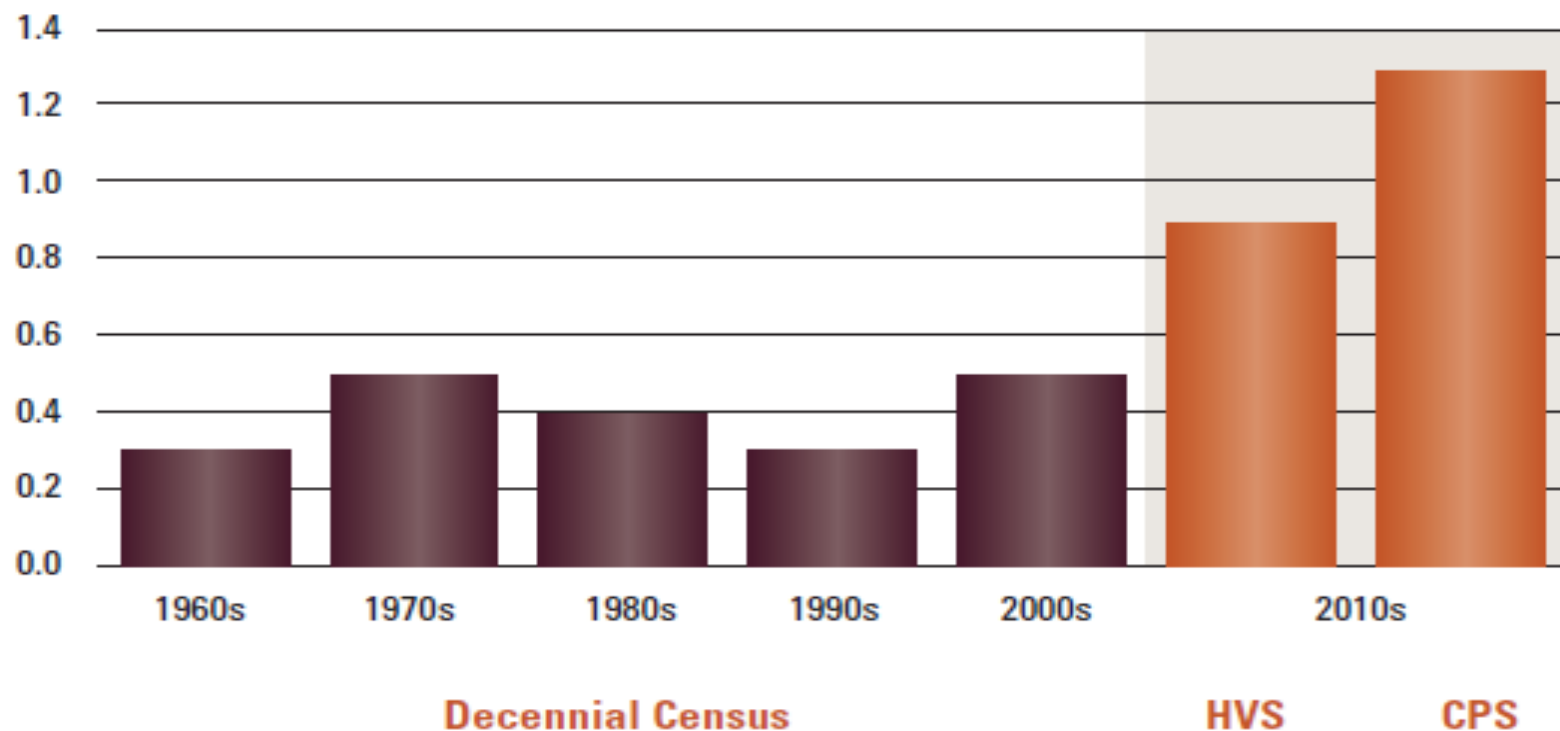
Change in Share of Households Renting 2004–2013:2 (Percentage points)



Source: JCHS tabulations of US Census Bureau, Housing Vacancy Surveys.

## ...Generating a Surge in Renter Household Growth

Average Annual Growth in Renter Households (Millions)

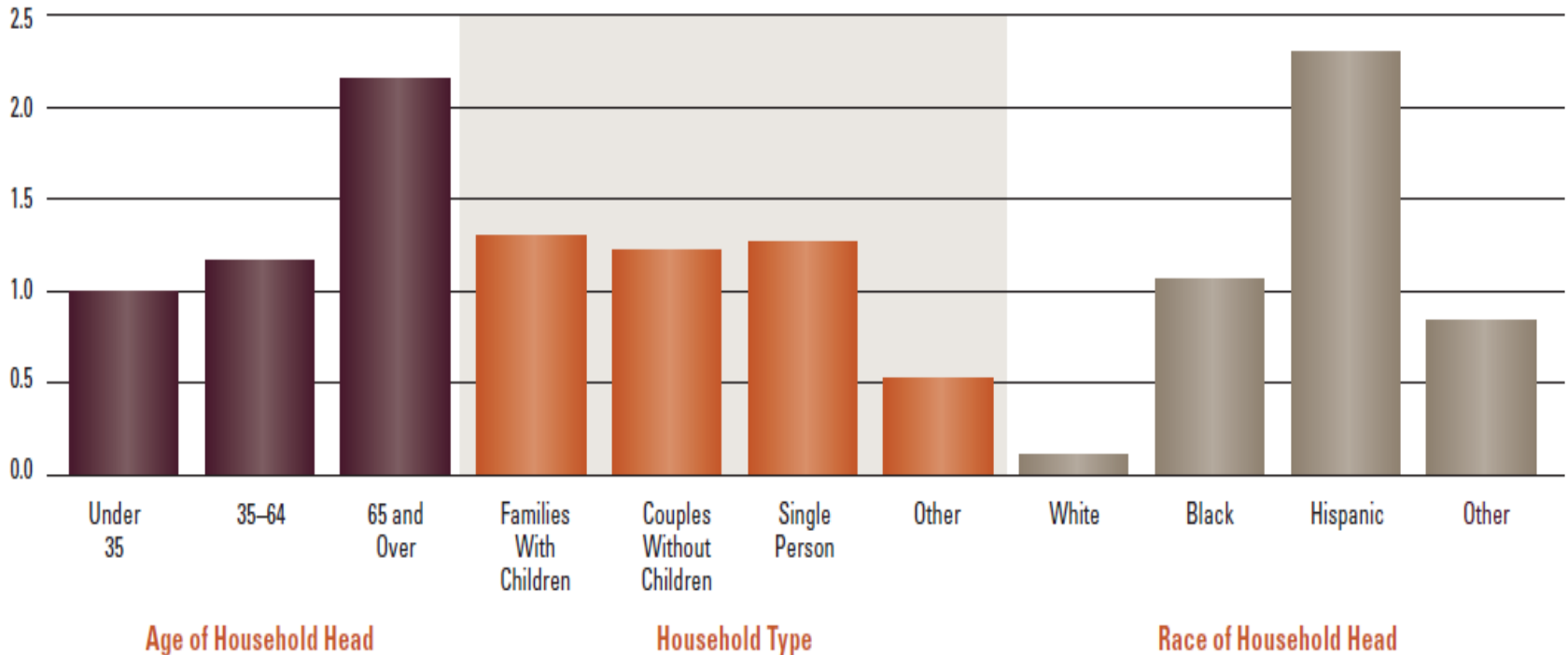


Note: Renter growth in 2013 in the HVS was calculated by averaging the number of renters in the first and second quarters of the year and subtracting the average number of renters in the first and second quarters of 2012.

Source: JCHS tabulations of US Census Bureau, Decennial Censuses, Current Population Surveys (CPS), and Housing Vacancy Surveys (HVS).

## Broad Changes in the Age and Racial Composition of Households Will Drive Future Rental Demand

Projected Renter Household Growth 2013–23 (Millions)

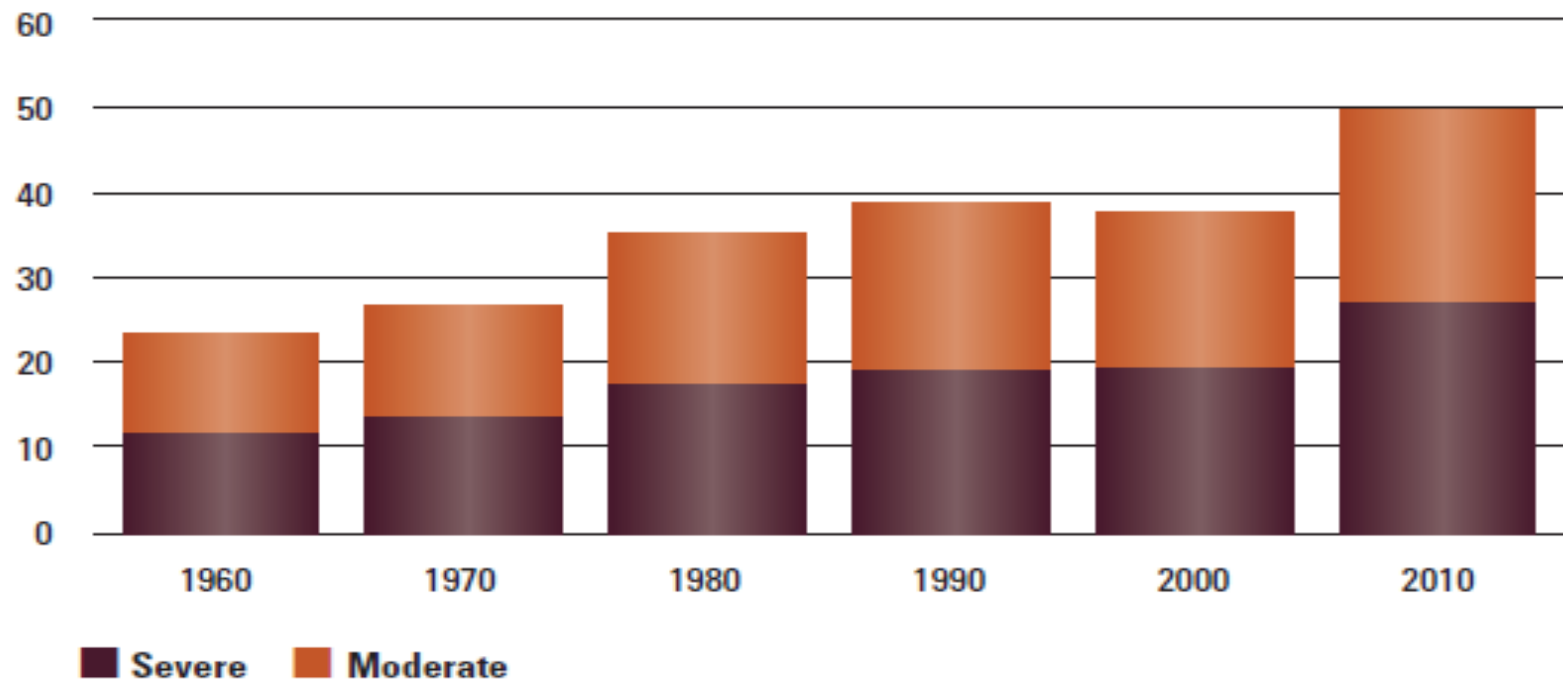


Notes: Families with children may be headed by married or partnered couples or single parents, and only include children of the household head that are under age 18. Other family households include children under age 18 that are not those of the household head, such as grandchildren. White, black, and other household heads are non-Hispanic. Hispanics may be of any race.

Source: JCHS 2013 household projections, middle series.

## Renter Cost Burdens Spread at an Unprecedented Pace in the 2000s

Shares of Cost-Burdened Renter Households (Percent)



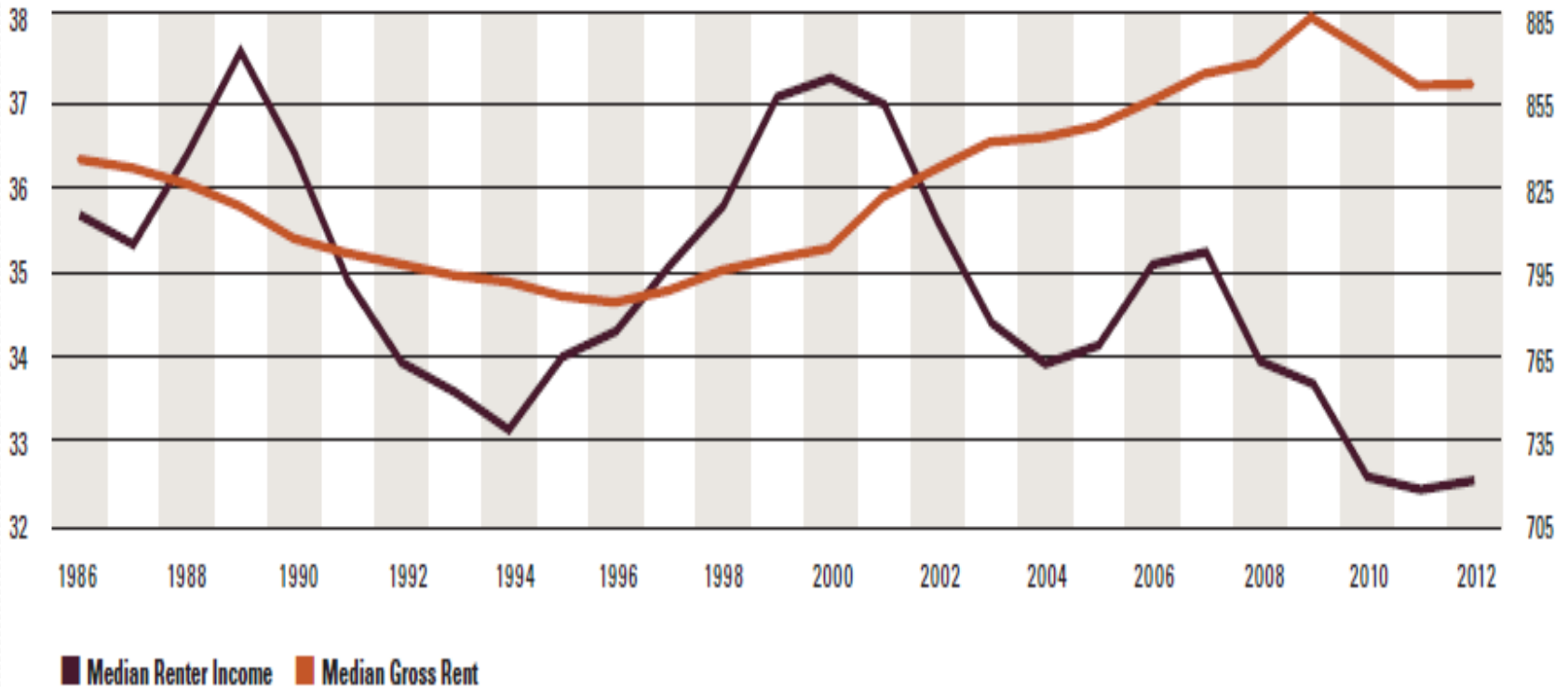
Notes: Moderate (severe) burdens are defined as housing costs of 30–50% (more than 50%) of household income. Households with zero or negative income are assumed to be severely burdened, while renters not paying cash rent are assumed to be unburdened.

Sources: JCHS tabulations of US Census Bureau, Decennial Census and American Community Surveys.

## Declining Incomes and Rising Rents Continue to Erode Affordability

2012 Dollars

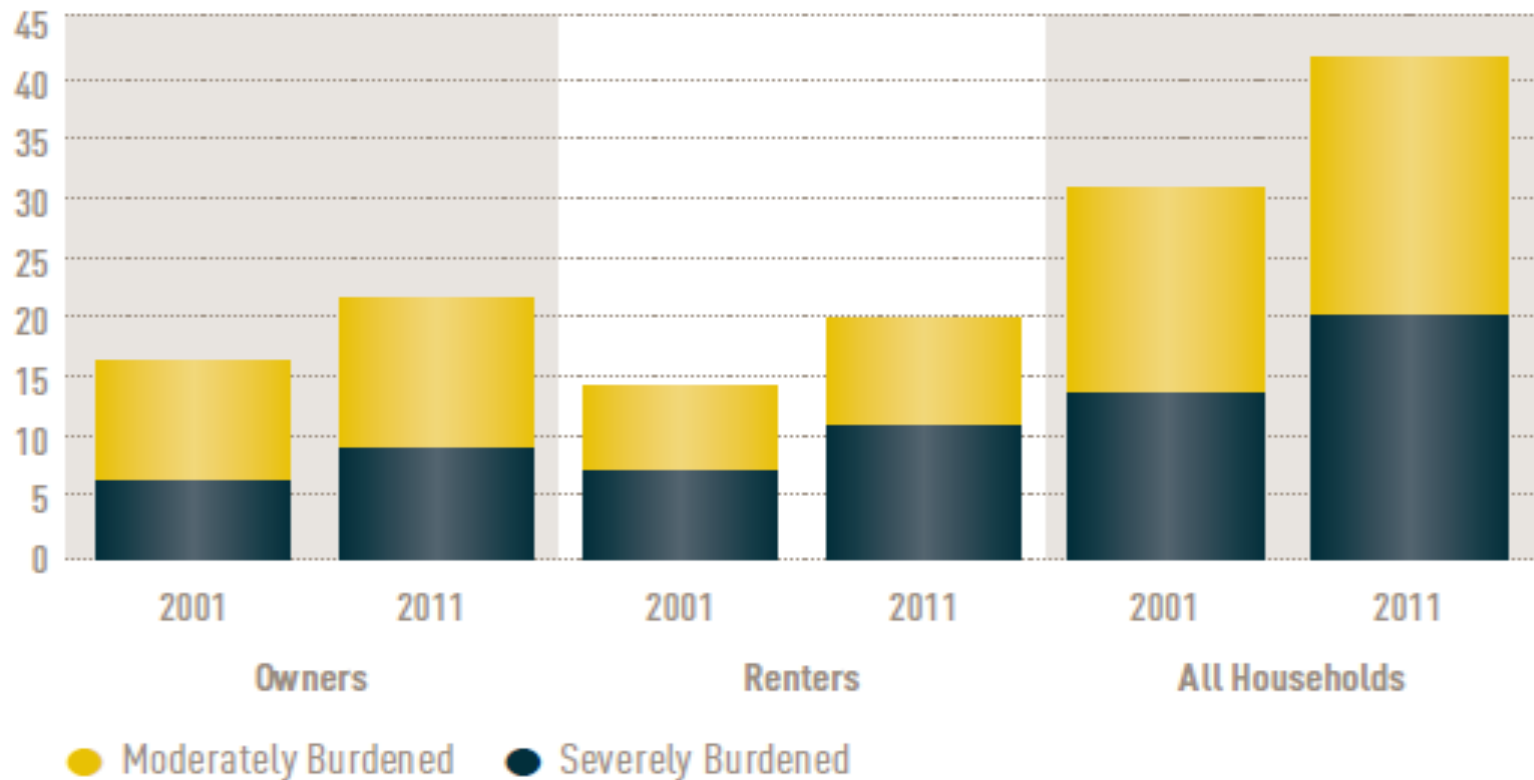
Income (Thousands)



Source: Table A-1.

# The Number of Households with Housing Cost Burdens Has Hit Record Highs

Households (Millions)



Note: Moderately (severely) burdened households pay 30–50% (more than 50%) of income for housing.

Source: JCHS tabulations of US Census Bureau, American Community Surveys.

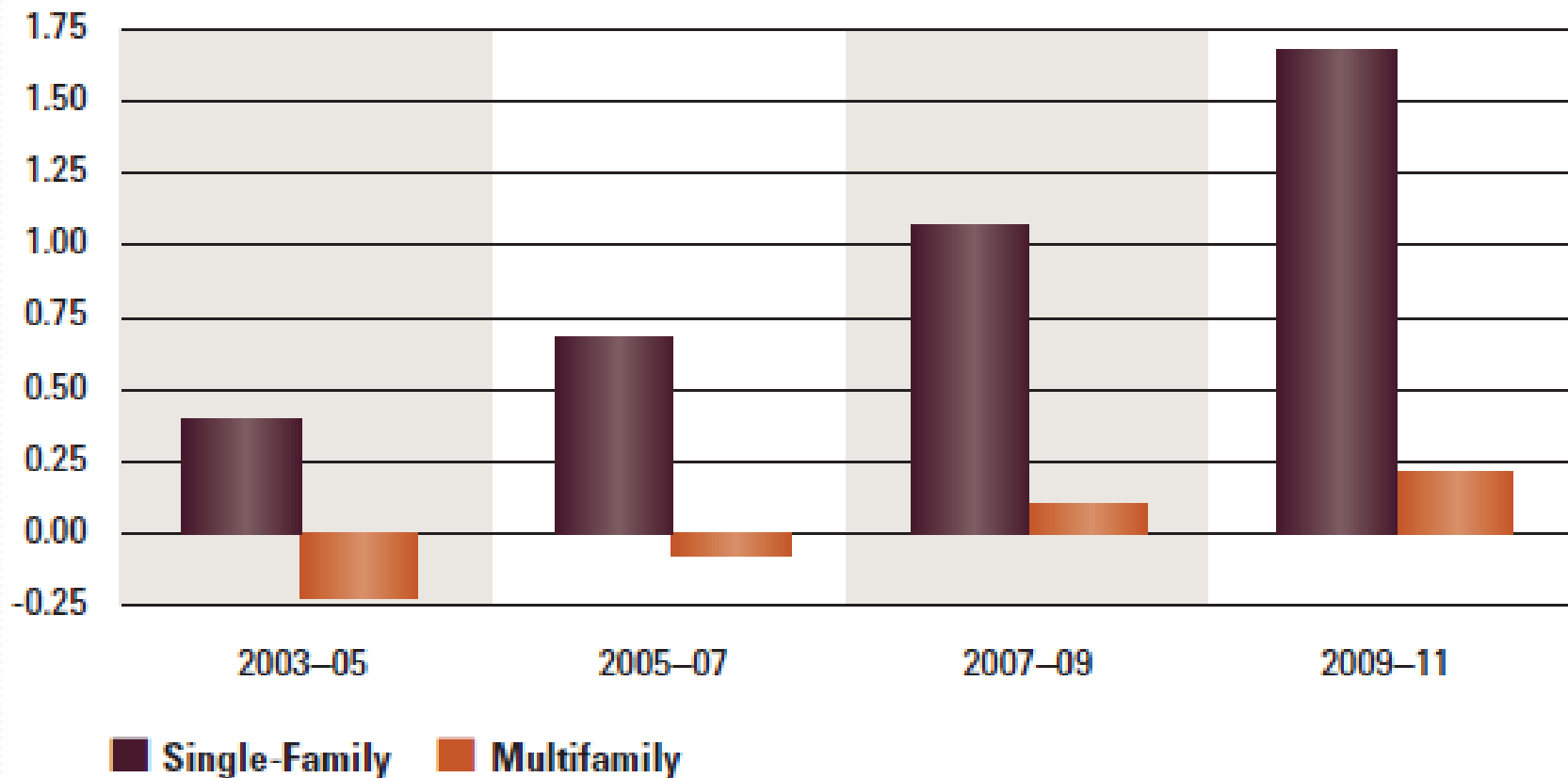
Table: Housing Unit Shortfall for Extremely Low Income Renter Households, 2010

County	Number of Renter Households at/below 30% AMI	Number of Units at/below Affordable Rent	Unit Shortfall	Percent of 30% AMI Households Not Served
San Mateo	27,939	7,508	20,359	73%
Sonoma	22,612	6,436	16,176	72%
Marin	12,993	4,382	8,611	66%
Napa	6,614	2,236	4,378	66%
Santa Clara	82,242	29,965	52,277	64%
Solano	11,536	4,584	6,952	60%
Contra Costa	33,849	13,903	19,946	59%
Alameda	81,201	37,306	43,895	54%
San Francisco	79,151	48,364	30,787	39%

*Sources: U.S. Department of Housing and Urban Development 2010, Income Limits; U.S. Census Bureau, American Community Survey 2010, Tables B25056 and B25118.*

# Millions of Single-Family Homes Have Become Rentals Since the Recession

Net Owner-to-Renter Conversions (Millions)



# Renters are here to stay

- Fund local and regional affordable housing sources of money
- Pursue greater CalHFA multi-family rental lending tools
- Fund the Nation Housing Trust with Fannie and Freddie funds
- Capture as much local value as possible in the entitlement process
- Conduct housing fee nexus studies and pass local housing development impact fees
- Protect vulnerable tenants from displacement
- Just Cause Eviction Ordinances
- Suitable relocation policies for displaced tenants
- Establish strong anti-harassment policies so tenants will not be coerced to leave
- Ensure meaningful resident/tenant leadership and influence in planning processes
- Tailor local economic investments to local workforce and community needs

# A Spectrum of rental intervention

Three Species of Affordable Rental Housing (Summary)*			
	Unsubsidized Affordable Rental Housing Description of Current State	Light-Touch Affordable Rental Housing Proposed Future State	Subsidized Rental Housing Description of Current State
<b>Description</b>	Already existing and naturally-occurring affordability in market housing which contributes to a healthy, diverse housing market and promotes choice.	Previously unsubsidized affordable housing that, through light touch interventions, could create new opportunities or more public benefit.	The creation of new affordable housing units that are a product of deep subsidy programs usually federally defined but may be locally administered.
	Cost: 0 + Compliance: No compliance + Quality Control: Minimal + Affordability Duration: None	Cost: \$ + Compliance: Light Compliance + Quality Control: Moderate Quality Control + Affordability Duration: Variable	Cost: \$\$\$ + Compliance: High Compliance + Quality Control: High Quality Control + Affordability Duration: Longest